NOTICE OF A MEETING OF THE VINEYARD
REDEVELOPMENT AGENCY BOARD
December 12, 2018 – 6:00 PM

Public Notice is hereby given that the Vineyard Redevelopment Agency Board will hold a meeting on Wednesday, December 12, 2018**,** starting at approximately 6:00 PM or as soon thereafter as possible following the City Council meeting in the Vineyard City Hall; 125 South Main Street, Vineyard, Utah. The agenda will consist of the following:
(clicking on the blue wording will take you to the documents associated with the agenda item.)

Agenda

1. CALL TO ORDER

2. CONSENT AGENDA

2.1. Approval of the October 10, 2018 RDA Meeting Minutes

3. BUSINESS ITEMS

3.1. DISCUSSION AND ACTION – The Yard Reimbursement Request

Brian Hansen representing The Yard is requesting RDA assistance to help in bringing in a golf facility user such as TopGolf or similar to The Yard. The facility would boast the most up to date technology in the golf facility arena. It will include luxury golf hitting and lounge bays, full service dining facilities, full service bar, corporate event spaces, private party space, and concert venue space. This entertainment use will help combine with the Megaplex to make this site the premier entertainment hub of Utah County. With the addition of the golf facility The Yard (B) will become extremely attractive to a variety of uses including 160,000 square feet of professional and medical office as well as 20,000 more square feet of retail uses.

4. ADJOURNMENT

RDA meetings are scheduled as needed.

The Public is invited to participate in all Vineyard Redevelopment Agency meetings. In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the City Recorder at least 24 hours before the meeting by calling (801) 226-1929.

I the undersigned duly appointed City Recorder for Vineyard, Utah, hereby certify that the foregoing notice and agenda was emailed to the Salt Lake Tribune, posted at the Vineyard City Hall and offices, the Vineyard city website, the Utah Public Notice website, delivered electronically to city staff and to each member of the Governing Body.

AGENDA NOTICING COMPLETED ON: December 11, 2018

CERTIFIED (NOTICED) BY: /s/ Pamela Spencer
PAMELA SPENCER, CITY RECORDER

MINUTES OF THE VINEYARD
REDEVELOPMENT AGENCY BOARD MEETING
125 South Main Street, Vineyard, Utah
October 10, 2018 – 6:00 PM

Present	**Absent**
Chair Julie Fullmer	Boardmember Nate Riley
Boardmember John Earnest	
Boardmember Tyce Flake	
Boardmember Chris Judd	

Staff Present: City Manager/Finance Director Jacob McHargue, Public Works Director/City Engineer Don Overson, City Attorney David Church, Sergeant Holden Rockwell with the Utah County Sheriff's Office, Community Development Director Morgan Brim, City Planner Elizabeth Hart, Planning Commission Chair Cristy Welsh, City Recorder Pamela Spencer, Water/Parks Manager Sullivan Love

Others Speaking: Mike Hutchings and Jeff Walker with Anderson Geneva

7:12 PM REDEVELOPMENT AGENCY BOARD MEETING

Chair Fullmer called the Redevelopment Agency Board meeting to order at 7:12 PM.

CONSENT AGENDA
2.1 Approval of the September 26, 2018 RDA Meeting Minutes
2.2 Geneva Nitrogen Reimbursement Agreement

Chair Fullmer called for a motion.

Motion: BOARDMEMBER JUDD MOVED TO APPROVE CONSENT ITEMS 2.1 AND 2.2 AS PROPOSED. BOARDMEMBER EARNEST SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT. ROLL CALL TO APPROVE THE GENEVA NITROGEN AGREEMENT WENT AS FOLLOWS: CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

BUSINESS ITEMS
3.1 DISCUSSION AND ACTION – **Extension of 1750 North**
Martin Snow with Vineyard Properties of Utah LLC is requesting that the RDA pay the full cost for completing the extension of 1750 North as described in the application. The total estimated cost of the project is $2,478,467.61. The RDA Board will take appropriate action.

Mr. McHargue explained the reimbursement agreement for the construction of 1750 North to Pioneer Lane. He stated that the land costs had been removed from the request bringing it to $1,641,580.24. He said that the agreement would be updated to reflect the change.

Mr. Church stated that this application was consistent with past road construction projects. He added that the agreement would require the dedication of the land. Mr. McHargue mentioned that the RDA did not have current funding for the project, so it would have to be reimbursed in the future.

Boardmember Judd asked if there were additional cost breakdowns to get to the $1.6 million. Mr. McHargue replied that he had not had time to review the new application. Boardmember Judd stated that he did not feel comfortable voting on the application tonight. Mr. McHargue replied that they would get a contract put together with the actual amounts for the next meeting.

Chair Fullmer called for a motion to postpone the business item.

Mr. Church stated that they needed to make a motion to accept the application subject to it being put in contract form for final approval.

Motion: BOARDMEMBER JUDD MOVED TO ACCEPT THE APPLICATION AND ALLOW IT TO MOVE FORWARD TO GO INTO CONTRACT FORM FOR THE NEXT RDA BOARD MEETING FOR A VOTE AND APPROVAL OF THE CONTRACT WITH THE UPDATED NUMBERS. BOARDMEMBER FLAKE SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

3.2 DISCUSSION – <u>Anderson Geneva Land Donation Agreement</u>

Anderson Geneva is requesting approval of a land donation agreement for the area to be known as the promenade and approval for the chair to sign said agreement. No action will be taken at this time.

Mr. McHargue explained that this presentation tonight was for a land donation and a development agreement. He turned the time over to Mike Hutchings with Anderson Geneva.

Mr. Hutchings stated that Anderson Geneva had met with staff to review and revise the proposed land donation and development agreement. He explained that the concept was for Anderson Geneva to donate to the city the lake promenade area. He mentioned that it would be approximately 16 acres of property. He explained that they might want to adjust the plans for the promenade and move it slightly to the north to give them more acreage for structured parking, etc. He mentioned that UDOT wanted to have 1000 parking stalls for the FrontRunner station. He said that one of the concepts of moving the promenade to the north was to line it up and create a view line from the FrontRunner station to the lake. Boardmember Judd asked how much of a change were they proposing. Mr. Hutchings replied that it would be at least 50 feet but could be as much as 200 feet. He pointed out where the land would be on the map. Chair Fullmer asked if it would still line up with the FrontRunner station if they moved the promenade 50 feet. Mr. Overson replied that the promenade would be on the north end of the FrontRunner station platform. Boardmember Judd asked if it would be in the line of sight of the platform. Mr. Overson replied that the idea was that you would be able to see the lake from the platform.

Mr. Hutchings explained that they were not donating contaminated ground. He said that the agreement would state that the ground would be DEQ acceptable.

Mr. Hutchings explained that the east portion of the promenade was narrow and widen towards the lake. He explained that the wider area was 240 feet (80 yards of green space). He felt that they should be putting the roadways inside of that area and moving some of the width into the narrow area. He commented that the narrow area was 70 feet. He suggested that they put the roadways in the green space, move some of the green space to the east, and they would still end up with 70 feet of green space. He said that they would donate ground to be used as a roadway.

Boardmember Judd asked if they would have to amend the Town Center Master Plan. Mr. Brim replied that the agreement matched the code. There was a discussion about the roads in the promenade area. Mr. Hutchings stated that they were going to donate 16 acres for the promenade and recommend that it include roads and parking. Mr. Church explained that this was not referenced in the proposed agreement because the code allowed for it to be done. He said that Mr. Hutchings was recommending that it be used for exactly what the code said. Mr. Brim felt that there might be places in the Town Center where they could have buildings adjacent to the green space. He felt that the code was written so they could include the roads or have restaurants that opened up onto the green space. Mr. Church stated that it was contemplated and allowed in the code and the agreement would not change the code.

Mr. Church felt that the agreement would accomplish 4 basic things:

1. Takes the code and makes it part of a development agreement. This meant, by contract, the city was vesting people in the code so that a future City Council could not change the vision and abandon it when it was halfway done. On the city’s side, it committed the landowner to develop it according to the code. Commit to it contractually.
2. Identifies backbone infrastructure as being necessary, that the RDA would participate in installing, to incentivize the development. Make sure that it was successful for future development. The contract identified that the RDA could build the backbone or allow the developer to build the backbone and the RDA would reimburse through tax increment generated by that development.
3. Promenade and other things go across property lines. This gives the landowner the opportunity to donate this land at one time to the city, for the promenade, instead of having to work with the individual developers.
4. When the land is purchased, the developer will be responsible for any infrastructure not included in the backbone infrastructure and will be built at the developer’s expense.

He emphasized that:

1. They vest it on both sides
2. They establish what the RDA would participate in
3. The city would gain the land donation now
4. They identify what the RDA did not intent to do

He felt that there would not be enough money to build the infrastructure and the parking structures. He felt that they should concentrate on the backbone.

Jeff Walker with Anderson Geneva stated that they were trying to create a legal description in order to donate the land. Mr. Church thought that where the promenade would be located had not been set in stone. He said that it would need to tie into the FrontRunner station and the lake.

Chair Fullmer felt that they needed to reexamine the 7.5 percent interest rate mentioned in the agreement. Mr. Hutchings felt that the interest rate should be higher, but made the decision not to ask for more. Boardmember Judd stated that as much as they wanted it, they did not have to force the land to be developed and did not want to pay the 7.5 percent interest rate. He felt that it was on the landowner’s shoulders. Mr. Hutchings replied that they were doing what other developers had done to install backbone infrastructure in the city. Boardmember Judd asked if the RDA had paid the 7.5 percent interest rate on other infrastructures projects. Mr. McHargue replied that there had been one other agreement with Flagship Homes. Mr. Church explained that they had taken the 7.5 percent interest rate from the WatersEdge agreement which was higher than they could borrow from. He said that they would like to see a lower rate. Boardmember Judd said that if they wanted to get the infrastructure done now they could put it in and then submit for reimbursement, providing the RDA had the funds. Mr. Church stated that if times were good, then they could pay it off with a bond, but if times were not good they would not be paid off at the end of the contract and it would be an unrecoverable amount. Mr. Hutchings stated that Anderson Geneva would bear the risk. Mr. Church felt that Anderson Geneva would be selling off to other developers. Mr. Hutchings stated that they would sell off the property with the obligations attached to the properties, which would be to build their proportional part of the promenade. Mr. Church said that if it was not listed as backbone in the agreement, then the developer would have to build it as part of their project.

Boardmember Judd felt that the property owner could take the risk and that it was not the RDA Board's responsibility. Mr. Walker commented that the repayment would only come from increment from the property that the owner had improved. It was a cost risk analysis for both the RDA and the property owner. He said that the interest rate would be tied to the development and not taken from any other place in the city. The risk was low. There was further discussion about the interest rate and the expectation of what the developer would be required to build. Mr. Hutchings said that Anderson Geneva had to bear the risk to come up with a functional downtown and train station to benefit the city and regional community.

Boardmember Judd had the following comments/questions:

1. Page 2 stated that the agreement was between the city and the developer
   He asked if it should be between the RDA and developer. Mr. Hutchings replied that they would make the change to the agency.

2. Section 2. <u>Property Affected by This Agreement</u> The agreement stated that no additional property may be added
   He asked if there was a reason they did not include the removal of property. Mr. Hutchings agreed to add it.

3. <u>Section 3. Land Donation by Developer</u> The agreement stated that the parties agree that the lake promenade property had a donative value of at least $350,000 per acre, which would be verified by an MIA appraiser.
   Mr. Church responded that the number had been removed.

4. <u>Section 4. Future Donation by Developer of the Plaza Property</u> - approximately 1.3-acre property depicted in the Town Center Map
   Mr. Hutchings stated that it was an office pocket park.

5. <u>Section 5a. Vested Rights</u> -The vesting period ending on December 21, 2049
   He asked if they used this date because it was the end of the RDA.
   Mr. Hutchings explained that it was three years beyond the end date of the RDA.
   Boardmember Judd asked why it past the end date. Mr. Hutchings replied that it gave room in case the RDA length was extended. Mr. Church explained that the dates should reflect a reasonable amount of time for a developer to complete the project.

6. <u>Section 5c. Phasing of the project</u>
   He felt that they hoped to have great relationships with the developers and asked if they could require that the developers give annual updates. Mr. Church stated that they could

have annual reports. He felt that what would drive the phasing would be the backbone infrastructure. He felt that it would naturally phase from backbone infrastructure out. Boardmember Flake asked if they agreed with what the backbone infrastructure was. Mr. Church said that there was a description and that there needed to be clarity on both sides.

7. Section 6c. Release of the Developer In the event of a transfer of any portion of the property to any successors they assign.
   He asked how the RDA would be notified if they sold off property. He asked if there was a requirement that they notify the RDA as they sell off portions of the property. Mr. Church replied in the affirmative.

8. Section 7. Infrastructure - defines the public facilities, system improvements.
   Mr. Church explained that the current version of the agreement deletes it and refers it to Exhibit F. Boardmember Judd stated that he would need the exhibits detailed with legal descriptions. Mr. Hutchings replied that it was almost impossible to detail where the promenade would be. He said that one of the requirements would be to have a buy-off from the DEQ giving the RDA ground that was certified clean. Mr. McHargue felt that it would also be difficult to have legal descriptions for the roads this quickly. Boardmember Judd asked if the RDA took over the roads now, it they would require the RDA to pay for them. Mr. Church explained that they would be public roads as soon as they were built and dedicated. He explained how other contracts had worked that were similar to this agreement.

9. Section 7f. City Impact Fees
   Mr. Church replied that he had recommended that all references to impact fees be removed. There was a discussion about impact fees. Mr. Church felt that when they discuss the parking structure they may want to say that it would be a benefit and do a parking structure impact fee or do a combination.

10. Section 7f. Impact Fee and RDA Reimbursement for System Improvements including Backbone Infrastructure; i and ii
    He asked if it would limit other RDA incentives. Mr. Church stated that it had been rewritten.

11. The City shall activate the RDA for the area covering the property within the project area by a certain date. Mr. McHargue stated was that it was a set date.

12. Section 8a - Open Space Credit from the Lake Promenade and Plaza Properties.
    He asked why it was a future credit. Mr. Hutchings replied that it was in the original master plan. Mr. Church explained that the intent was to clarify in the agreement that the 20 percent open space minimum required was part of it. Mr. Brim stated that they had discussed providing credit but having a minimum for onsite open space. Mr. Church said that they did not want any development completely stripped by the credits. He said that there were new minimums and that no development would be without open space.

Mr. McHargue said that they would work with Anderson Geneva and have a final draft for the next RDA meeting.

Mr. Church said that if Anderson Geneva was making an upfront donation they wanted to make sure anyone they sold to would realize the open space credit.

13. General Terms of Condition
He asked if they were standard. Mr. Church replied that they were, but had missed the remedies section. He said that the remedies section clearly outlines the remedies for both side, which is specific performance of the agreement and neither side could not sue for damages. They ca can sue for specific performance, equitable relief, and attorney's fees. He said that the reason for that was they could not sue to insure contractual agreements.

Boardmember Judd felt that there was work to be done on the agreement but in general it was a good agreement.

Chair Fullmer called for further questions from the board or the public.

Resident Anthony Jenkins commented that wanted to make sure that when they were discussing the promenade to talk about pedestrian safety first. He said that there was discussion about parking and if they called it government-subsidized storage of private assets on public property they would think about it differently. He suggested that they charge for parking. Mr. Church said that if the city built a large parking structure and it was owned by the city, it would not necessarily be free parking.

Boardmember Judd asked Mr. Brim if they were looking at a scooter ordinance. Mr. Brim replied that they were looking at a shared bike and scooter program for the promenade.

ADJOURNMENT
Chair Fullmer called for a motion to adjourn the meeting.

Motion: BOARDMEMBER FLAKE MOVED TO ADJOURN THE MEETING AT 8:12 PM. BOARDMEMBER EARNEST SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

RDA meetings are scheduled as needed.

MINUTES APPROVED ON: ____________________________________

CERTIFIED CORRECT BY: /s/ Pamela Spencer
PAMELA SPENCER, CITY RECORDER

Vineyard RDA Development Incentive Application

Use this application to request assistance with backbone infrastructure improvements, environmental remediation, and other necessary projects associated with the Geneva URA project area. ***Applicants are strongly encouraged to attach documentation which supports their proposal.***

Applicant Organization: Fifty Mill, LLC Address: 9537 S. 700 E. City/State/Zip: Sandy UT 84070

Contact Person: Brian Hansen Phone/Fax/Email: 801-694-9125
Is the Applicant the Property Owner?

[X] Yes [ ] No

1. Describe the type of project being proposed

Owner is requesting RDA assistance to help in bringing in a golf facility user such as TopGolf or similar to The Yard. The facility would boast the most up to date technology in the golf facility arena. It will include luxury golf hitting and lounge bays, full service dining facilities, full service bar, corporate event spaces, private party space, and concert venue space. This entertainment use will help combine with the Megaplex to make this site the premier entertainment hub of Utah County. With the addition of the golf facility The Yard (B) will become extremely attractive to a variety of uses including 160,000 square feet of professional and medical office as well as 20,000 more square feet of retail uses.

2. Contribution of the Applicant:

Total Estimated Cost of the project (must attach documentation):	$67,947,079
Contribution /Investment of the Applicant:	$ 9,000,000
Other sources of funding (specify and attach supporting documentation):	TBD
Assistance requested from the RDA:	$ 6,984,896
Total Funding	$69,957,736

3. Describe the ability of the site to be developed without assistance.

The site would not be able to be developed to its maximum potential without the assistance of the RDA. The cost to develop and construct the Golf Facility together with parking and access is not feasible without assistance.

4. Describe the reasonable justification for the need of public investment in this project.

Without the investment from the RDA we will not meet the debt coverage ratio required to obtain the loan needed to build the facility. The Golf Facility will serve as the Anchor and create a draw for the surrounding uses. Without the Golf Facility, there is very little demand for high quality office space, retail and medical space. Without the Golf Facility, development would occur over a much longer timeframe and with much lower quality. The future of Vineyard as a power center for entertainment and office space is much brighter and likely to develop much quicker with the addition of the Golf Facility, similar to what Midvale experienced over the past 4 years once Topgolf decided to build a location at the Bingham Junction project.

5. Describe the land area which will be benefitted from the proposed project and the impact to future development.

   All of the commercial land surrounding the project will benefit greatly including the already existing Megaplex Theatre. We have the ability to create the entertainment hub of Utah County which will help in leasing out the rest of the commercial sites around the project. Just in the past few weeks we have started to leak the news of a possible Golf Facility and with that news we have already received two LOI's and leases from strong nationwide tenants.

6. Describe the impact this project will have on new jobs, or the quality of existing jobs (number and average salary).

   Jobs created - The Yard (B)
   - Golf Facility - 250 Jobs
   - Retail - 341 Jobs
   - Office - 909 Jobs
   - Construction – 500 Jobs

7. Attach a chart which describes the proposed timeline of the project, including expected dates for start and completion.

   The plan is to break ground on the golf facility in the Spring of 2019. With plans to start up to 50% of the office soon after we break ground on the golf facility. When we have the ability to fully announce the golf facility, it will drive demand to more quickly lease up the rest of the site.

8. Will the RDA own any of the infrastructure related to this project? If so, describe/elaborate.

   No

9. How much taxable value will your project add to the tax rolls? (Indicate whether your estimate is above the existing taxable value or total including the existing value. Also, provide supporting detail for how the estimate was derived.)

   The total increased taxable value added for the project is anticipated to be $48,163,806.
   - Golf Facility - $12,371,150
   - 160,000 Square Feet Office Space - $3,955,569
   - 20,000 Square Feet Retail - $31,837,087

   This number is above the existing value of the property now.

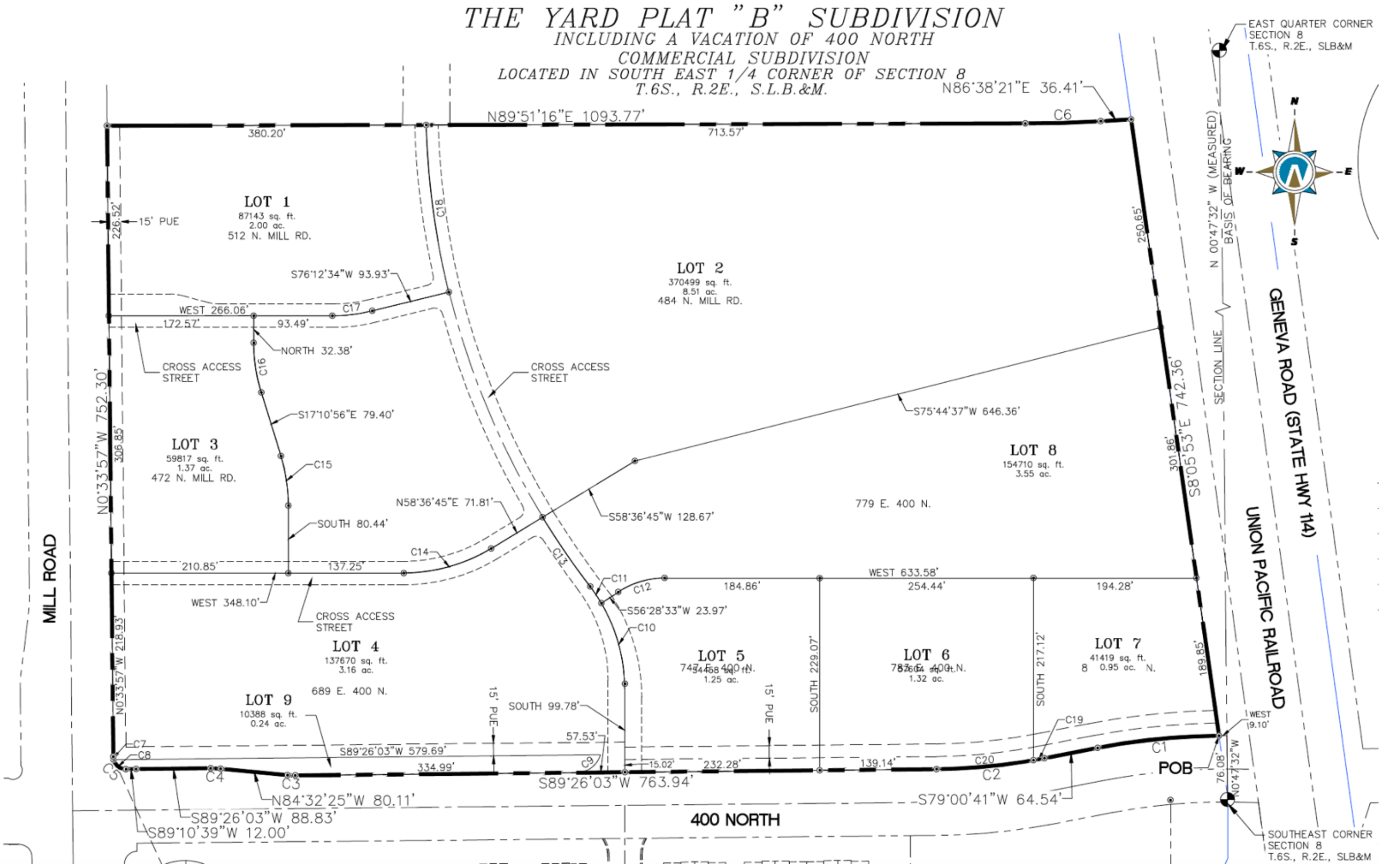
The RDA may require additional information related to this application before a decision is made.

Signature of Applicant ______________________ Date 11-14-2018

Printed Name: Steve Hutchings Title: Manager

THE YARD PLAT "B" SUBDIVISION

INCLUDING A VACATION OF 400 NORTH
COMMERCIAL SUBDIVISION
LOCATED IN SOUTH EAST 1/4 CORNER OF SECTION 8
T.6S., R.2E., S.L.B.&M.



Cost Estimate for Golf in Vineayrd Provided by Stout Construction 11/1/18	
Vertical Cost	11,433,360
Site Costs	4,933,128
soft Costs	646,476
Additional Golf Amenitieis	4,544,880
FFE	1,203,575
Total	22,761,419

Cost Estimate for Office at The Yard Plat B Provided by Mint Construction 11/2/18	
Site work	5,366,000
Shell Cost	15,200,000
TI	13,685,000
Architecture & Engineering	1,734,550
Taxes and Insurance	54,000
Construction Interest	753,000
Financing and Placement Fees	261,000
Title and Recoridng Fees	60,000
Building Permit and Impact Fees	525,000
Monument/ exterior signage	75,000
Water Shares	120,000
Legal Fees	30,000
Data and Buiding Access Systems	43,500
Other fees, soils report, survey, swppp	105,000
Temp Utilities	30,000
FFE	96,000
Appraisal	13,500
Marketing/Leasing	1,350,000
Soft Cost Contingency	144,000
Total	39,645,550

Cost Estimate for Retail at The Yard Plat B Provided by EK bailey Construction 11/12/18	
Site work	914,000
Shell Cost	2,152,500
TI	1,640,000
Architecture & Engineering	75,338
Permitting	76,875
Testing And inspection	21,600
Legal fees	20,500
Leasging Commissions	239,850
Finance Fee	160,412
Contingency	116,035
Interest Reserve	102,500
Prelease expenses, CAM, Taxes, soils rep	20,500
Total	5,540,110

The YARD Plat B
Schedule of construction

	2019												2020											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
GOLF Entertainment Venue																								
City approval, planning and design	4 month																							
Construction					11 month Construction																			
Medical Office - 85,000 sqft																								
City approval, planning and design			4 month																					
Construction							7 month Construction																	
Corporate office - 75,500 sqft																								
City approval, planning and design						4 month																		
Construction										7 month Construction														
Retail - 20,000 sqft																								
City approval, planning and design												4 month												
Construction																7 Month Construction								